

From: Mury
To: kxrasmu@qwest.com@inetgw,kpuffet@uswest.com@inetgw...
Date: 12/22/01 3:44pm
Subject: Anti-competitive practices and Lies - Qwest and Microsoft

Dear Qwest, MN PUC, FCC, USDOJ, FTC, and MN AGO:

I am sitting here on December 22, 2001 steaming mad at Qwest and MSN (Microsoft). I should be out Christmas shopping, but I'm hardly in the holiday spirit. It seems as though by partnering with MSN Qwest thinks they have found a nice little loophole to circumvent all the trouble they have found themselves in in the past by using anti-competitive tactics in house.

As the MN PUC should recall they had to impose penalties against Qwest a couple years back for anti-competitive marketing, product pricing, treating their own Megacentral product differently than they treated other ISP's Megacentral product, and for lying to consumers. The PUC at that time penalized Qwest. A safeharbor number was set up for consumers to call run by a third party. Qwest had to provide free modems to ISPs and provide some coop marketing dollars to help correct the harm done. This hardly compensated us for our loses, but at least it brought Qwest, then US West, back in line.

Now they are up to the same antics, but they are getting around the system by partnering with MSN. Qwest's web site is very misleading and their phone reps flat out lie about pricing and promotions.

1) On their web site
<http://www.qwest.com/residential/products/dsl/index.html>:

Qwest starts out by favoring MSN with phrases such as,

"Get MSN Internet Access or select from hundreds of ISP partners nationwide."

Qwest makes it sound like customers will only get free activation and a free modem if they choose MSN.

"Special DSL Offers -- Purchase MSN Broadband Powered by Qwest 256 or Deluxe and get FREE activation, FREE use of a DSL modem, and 30 days of FREE service. CustomChoice customers will receive 60 days of FREE service!*"

Markets a package that includes both MSN and Qwest:

"MSN Broadband Powered by Qwest 256 256K/Up to 256K Use for fast web surfing, e-mail and downloading moderate-size files. \$39.95 (Includes MSN

Internet Access) Order Now " MSN logo included

And

"MSN Broadband Powered by Qwest Deluxe Up to 640K/Up to 256K Use for online gaming, e-mailing large attachments or downloading large files.

\$49.95 (Includes MSN Internet Access) Order Now " MSN logo included

We have asked for similar treatment and have been denied.

2) When customers call in they are lied to frequently. I have enclosed a letter from a existing customer that was moving from one location to another who was told he would only get the promos if he chose MSN. He didn't want MSN so he is switching to cable. I have heard many other similar stories and there are probably countless cases we don't hear about.

3) If a customer wishes to switch from MSN to us they process is different. Because the system is somehow tied into MSN's the customer first must cancel the service with MSN before they can even order it with us.

4) The practice of delaying the install of MegaCentral lines for ISPs is still poorly managed at best and maliciously hampered at worst. We ordered a MegaCentral line for St. Cloud, Minnesota. On May 24th, 2001 we received an install due date of June 8th, 2001.

Order Number N91370107

Due Date 6-8-01

Circuit ID 14/HCGJ/95372//ACSO

The circuit was finally installed around October 20th, 2001. That's 4.5 months *overdue*. It is very important to note that this install was in a building that has a common wall with the Qwest CO and there was plenty of fiber running into the building. We selected this site so there wouldn't be problems like this and we are paying a premium in rent for the privledge.

We lost thousands of dollars and lost opportunity because of this.

I believe these issues should be looked into by each of you. When we selected Qwest MegaCentral DSL as a product offering to base our services on we were promised we would be treated fairly. This has hardly been the case. I know Qwest thinks that because it's MSN and out of house they can get away with it, but if they are being compensated in the least out of the partnership they are certainly violating the spirit of the MegaCentral contracts with other ISPs and any applicable tariffs.

As a special note to the US Department of Justice here is yet another

example of Microsoft entering into preferred relationships that snub other competitors in the marketplace.

If any of you see this in my light and find Qwest is at fault, please apply a quick and effective punishment and provide for *real* compensation to be paid those of us who have been harmed.

Regards,

Mury Johnson
CEO
GoldenGate Internet Services
763-784-2800

----- Email From Customer Referenced Above -----

Dear Golden Gate,

I just moved to a new address: 7124 W 113th St, Bloomington MN 55438 phone 952-941-0399. I was planning to transfer my DSL service to the new location. However, Qwest wanted to charge me an installation fee (\$66 or \$99) if I didn't use MSN, and the service would take up to 2 weeks to get running. On the other hand, RoadRunner (cable modem) would give me free installation and come out on the day we moved in. Their bit rate is faster and it costs \$5 less per month than DSL. So I decided to try RoadRunner. I appreciate the great service I received from Golden Gate, but I am sorry that I will not be needing it anymore. Could you please cancel my internet service? Thank you.

John C. Harkness (hark11)

CC: Microsoft ATR,ASKDOJ,attorney.general@state.mn.us@...